

HOUSE BILL 1600  
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 45,  
relative to banks and financial institutions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 45, Chapter 2, is amended by adding  
the following language as a new part:

Section 45-2-2101.

(a) No bank headquarted or having branches in Tennessee shall be sold,  
acquired or merged without due notice being given to all Tennessee  
stockholders, by certified mail, of the proposed transaction. Such notice shall  
include the name of the bank or banks involved, a description of the proposed  
transaction, a mailing address and telephone number for comments concerning  
the transaction, the date of the proposed transaction and any additional  
information required by rule of the commissioner.

(b) No later than forty-five business days prior to completion of any  
proposed transaction, any such bank shall provide a representative copy of the  
notice required pursuant to subsection (1) to the commissioner. The  
commissioner shall review the notice for compliance with the provisions of this  
section. Within ten (10) business days of receipt of the representative copy of  
the notice, if the commissioner determines compliance, the commissioner shall  
issue a certificate of compliance to the bank, or banks, involved in the  
transaction. If the commissioner determines noncompliance, the commissioner  
shall notify the bank, or banks, involved in the transaction of the specific areas of  
noncompliance and shall order such bank, or banks, to provide notice in the

manner provided in subsection (a). Failure to comply with the order of the commissioner is punishable as prescribed pursuant to §§ 45-1-107 and 45-1-108.

SECTION 2. The commissioner of financial institutions is authorized to promulgate rules and regulations to effectuate the provisions of this act.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.